

# **Special Milk Program**

## **Overview**

The Special Milk Program provides milk to children in schools, childcare institutions, and eligible camps that do not participate in other Federal child nutrition meal service programs. Schools in the National School Lunch Program (NSLP) and School Breakfast Program (SBP) may also participate in the SMP to provide milk to children in half-day pre-kindergarten and kindergarten programs where children do not have access to the school meal programs. When participating in the program, schools and institutions receive reimbursement from the United States Department of Agriculture (USDA) for each half pint of milk served. Children may buy milk or receive it free, depending on the school's choice of program options.

## **Terminology**

**Categorical Eligibility-** Those children approved without an application to receive free milk through the Special Milk Program or free school meals. A child is categorically eligible for free school meals if they are: in foster care; enrolled in Head Start; homeless or migrant; living in a household receiving SNAP, Food Distribution Program on Indian Reservations (FDPIR), and/or TAFI benefits and they are certified by the Homeless or Migrant Liaison or are a match on the Direct Certification list.

**Direct certification (DC)** – A method in which a child is eligible for free meals based on documentation obtained directly from the appropriate State or local agency authorized to certify that the child is a member of a household receiving assistance under SNAP, FDPIR or TAFI programs, and/or is a Foster, Homeless, Migrant, Head Start, or Runaway child.

**Non-pricing program** - A program that provides, but does not sell, milk to children.

**Overt identification** - Any action that may result in a child being recognized as potentially eligible to receive or be certified for free or reduced price school meals or free milk.

**Pricing program** - A program that provides and sells milk to children.

**Split-session** - An educational program operating for approximately one-half of a normal school day.

**Verification-** Confirmation of eligibility for free meals; requires a household to submit proof of income to the school or institution operating the National School Lunch Program (NSLP) or School Breakfast Program (SBP). Schools participating only in the SMP are exempt from verification requirements.

## **What is the Special Milk Program?**

Generally, public or nonprofit private schools of high school grade or under, public or nonprofit private residential child care institutions and eligible camps may participate in the SMP. The program must operate on a non-profit basis. The Federal reimbursement received allows the school or institution to reduce the selling price of milk to all children. Schools and institutions participating in the free milk option of the SMP must make free milk available to eligible children.

### *Eligibility and Certification of Children for Free Milk*

Schools or institutions operating the SMP with the free option must make available Free Milk Applications to families each year. The State agency releases a Free Milk Application annually that may be used by schools participating in the SMP. The Free and Reduced Price Meal Application may also be used by schools and institutions to determine eligibility for free milk, as households meeting the income eligibility criteria for free meals under the NSLP/SBP will qualify for free milk under the SMP. Children are determined to be eligible for free milk based on household income that is specified on a Free Milk or Free and Reduced Price Meal Application, direct certification, or categorical eligibility.

Note, there is **no reduced-priced eligibility category in the SMP**. If a household qualifies for reduced-priced meals based off a Free and Reduced Price Meal Application, they would qualify as paid for purposes of the SMP. Depending on the type of Special Milk Program being implemented by the school, households must be notified of their eligibility status. A sample Notice of Benefits letter is available from the State agency. See *Non Pricing and Pricing Programs* below for additional information on the different types of program options.

### *Reimbursement*

The Federal reimbursement for each half-pint of milk is updated annually. The amount a school actually receives for reimbursement for each half-pint served depends on what the SFA paid for the milk. Regarding reimbursement for “paid” claimed milks, the maximum reimbursement allowable is the established Federal rate. “Free” milk reimbursement will not exceed \$0.50 per half-pint serving. Though the *maximum* reimbursement rates differ for Free versus Paid, they are both reimbursed the same amount- the average cost per serving. Note, sponsors are reimbursed based on the number of half-pint milks *served*, not the number of students. For the latest reimbursement rates, visit the USDA Food and Nutrition Services (FNS) website link listed in the Additional Resources section. Rates are also located in the Claims section in MyIdahoCNP. For schools utilizing pricing programs, the Federal reimbursement received by participating schools and institutions helps offset the cost of the milk and allows the milk to be sold at a lower price to children.

### *Non Pricing and Pricing Programs*

Schools or institutions may participate in:

- Pricing programs without the free option- all children who drink milk are charged, regardless of eligibility status; all milk is reimbursed at the paid rate
- Pricing programs with the free option - children eligible for free milk do not pay for milk, “paid” status children pay for milk; milk is reimbursed based on each free and paid count
- Non-pricing programs- the school does not sell milk to children but provides milk so no Free Milk/Meal Applications are utilized; the cost is covered by tuition, boarding, donations, etc.

### *Setting Milk Prices*

Milk prices students will pay (in pricing program situations) are set by comparing the Federal reimbursement rate, the cost of milk from the dairy for the school, and the administrative/supply costs to operate the SMP. The cost of milk from the dairy will be added to the administrative/supply cost per milk served, then the Federal reimbursement rate will be subtracted from that total to determine the student cost for milk. For example, if the Federal reimbursement rate for a given school year is \$0.2025, the cost of milk for a school is \$0.25 per half-pint, and the administrative cost is \$0.05 per half pint, the following formula will yield the student cost for milk:

Dairy cost	0.25
Administrative cost*	+ <u>0.05</u>
Total	0.30
Less Federal reimbursement	- <u>0.20</u>
Student cost for milk	0.10

*\*Optional to include administrative costs in the determination; this can be omitted.*

#### *Counting and Claiming*

School food authorities (SFA) must count the number of half-pint milks served each day.

It is allowable for children to consume more than one half-pint milk; each serving should be counted and claimed each month. SFAs participating in:

- Pricing programs without the free option - count and claim all milks as “paid milk served”
- Pricing programs with the free option - count and claim children who qualify for free milk (based on completing a Free Milk Application) as “free milk served” and children who do not qualify for free milk as “paid milk served”
- Non-pricing programs - count and claim all milks as “paid milk served”

SFAs that implement a *pricing program with the free option* must assure that a child’s eligibility status is not disclosed at any point in the process of providing milk, including the notification of the availability of free benefits, certification and notification of eligibility, provision of milk at the school, the point of service, the method utilized to collect payments from households, as well as providing additional services, such as educational services to low income children.

#### *Allowable Milk Types*

Only pasteurized fluid types or fat free or low-fat (1%) milk may be offered. These milks must meet all state and local standards. Flavored milk is allowed. A milk variety (offering more than one type of milk) is not required in the SMP. If a milk substitute is offered to a child with a medical or special dietary need (non-disability) or a child with a disability, lactose-free milk or a nondairy beverage that meets the nutrition standards established in the final rule *Fluid Milk Substitutions in the School Nutrition Programs* (73 FR 52903, September 12, 2008) must be provided in order to receive Federal reimbursement. Juice, water, or other beverages do not qualify as a milk substitute. See the milk substitute requirements below:

<b>Milk Substitute Nutrition Standards</b>	
<b>Nutrient</b>	<b>Per Cup</b>
Calcium	276 mg
Protein	8 g
Vitamin A	500 IU
Vitamin D	100 IU
Magnesium	24 mg
Phosphorus	222mg
Potassium	349 mg
Riboflavin	.44 mg
Vitamin B-12	1.1 mcg

### *Record Keeping*

SFAs must maintain the following required records for three school years plus the current year:

- Daily counts of half-pints milk served (with Free and Paid counts, if applicable)
- Approved free and denied meal/milk applications, if applicable
- Invoices for milk purchases
- Inventory records

### **Why is the Special Milk Program important?**

The Special Milk Program allows children without access to school breakfast and/or school lunch programs the ability to receive milk, a beverage that contributes many important nutrients to the growing child's body. Per the Dietary Guidelines for Americans, 2010, many children take in less than the recommended amounts of milk products each day. Milk provides, among other important nutrients, three nutrients that are identified to be "nutrients of concern", meaning their intake is low. Potassium, calcium, and Vitamin D are the three nutrients of concern that are found in milk. The Federally funded SMP may be an excellent option for many schools, including small and/or rural schools without kitchen facilities, schools without food service staff to prepare reimbursable meals, and schools with half-day student programs.

### **Resources**

Additional resources may be available for this topic. Please check the Idaho School Nutrition Reference Guide website for copies of manuals, user guides, and helpful links to relevant subject matter.